

Equal Access Must Be Mandated For CMRS ETCs

FW&A believes the Act's requirements are clear and require that equal access be added to the list of supported services. FW&A's reply comments show that:

1. Section 332(c)(8) gives the Commission the authority to require CMRS ETCs to provide equal access if it finds that such a requirement is in the public interest. The excessive per minute rates charged by CMRS ETCs for long distance calling, in violation of Section 254(b), requires such a finding by the Commission.
2. The public interest and Sections 254(b)(1) and 254(b)(3) of the Act require that equal access be provided by all Eligible Telecommunication Carriers (ETCs), including Cellular Mobile Radio Service (CMRS) ETCs in order to insure that consumers in rural, high cost and insular areas have access to affordable interexchange services that are similar in price and services to those available in urban areas. Far from being a barrier to efficient competition that would harm consumers and competitive choice, the requirement to provide equal access by CMRS ETCs allows customers, through the operation of market forces, to lower the rates they pay for service.
3. Rural, high cost and insular customers will benefit from the imposition of an equal access obligation on CMRS ETCs through access to lower rates for long distance services - Unless equal access is a requirement for all ETCs, as shown in the attached table, CMRS ETCs will charge unreasonable originating and terminating rates extract monopoly profits from their captive long distance customers, in violation of Section 254(b). Rather than face the "Hobson's" choice of paying 39 to 45 cents per-minute for additional minutes and long distance charges of 20 to 30 cents per minute or buying larger blocks of time, if equal access were imposed on CMRS ETCs, customers can purchase lower blocks of cellular time and lower their long distance charges substantially by avoiding the originating and terminating charges or the charges for higher blocks of time.

Carrier	Web Site	Basic Rate	Anytime Minutes	Addl. MOU Rate	LD Rate	Roaming
Cellular One	www.cellularone.com *	\$20.00	60	39 cents		59 cents
US Cellular	www.uscc.com	\$25.00	125	40 cents	30 cents	69 cents
AT&T	www.attws.com	\$19.99	45	45 cents	20 cents	69 cents
Sprint	www.sprintpcs.com	\$35.00	300	40 cents	25 cents	50 cents
Verizon	www.verizonwireless.com	\$25.00	125	45 cents	20 cents	69 cents
Nextel	www.nextel.com	\$35.99	100	40 cents	20 cents	NA

* Cellular One a.k.a. Western Wireless

4. Given the availability of support funding and ability to recover the costs for the equal access use of their network from IXC's, CMRS ETC's can easily continue to serve rural areas profitably, even with a requirement to provide equal access service. It is unlikely that localized rural CMRS carriers and national CMRS carriers that are entering rural markets will abandon their business plans and exit these markets if they seek ETC status and are required to provide equal access service. The imposition of equal access will have no effect on the size of the USF because CMRS ETC's may recover their costs via access charges to the IXC's that use their network.
5. A requirement to provide equal access will not hamper the ability of a CMRS ETC to offer bundles of any-distance minutes, but does constrain their ability to extract monopoly profits from captive long distance customers. Implementation of equal access for CMRS ETC's will not create regulatory uncertainty.
6. Interexchange competition through equal access was not solely an antitrust remedy nor was interexchange competition for competition's sake the goal of equal access. Instead, the goal of the equal access policy was a universal service goal – reasonable and affordable long distance services, with rates and services comparable to those offered in urban areas.
7. Equal access complies with the Act's definitional principles in Section 254(c), and therefore must be added to the list of supported services:
 - (A) A customer's ability to select and change interexchange carriers through equal access service precludes CMRS ETC's from charging high, monopolistic interexchange rate levels to captive customers in rural, insular and high cost areas. This allows reasonably priced access to

educational, public health and public safety services, where those services must be accessed via long distance service.

- (B) The fact that equal access was mandated as a customer service is as irrelevant as the fact that one party service was mandated by many State Commissions. What is relevant now is that equal access, like one party service, is provided to, used by, or subscribed to by a substantial majority of residential customers.
- (C) With the exception of CMRS carriers, all LECs are deploying facilities necessary to provide equal access in their telecommunications networks, and thus equal access complies with principle (C).
- (D) Access to interexchange services in rural, insular and high cost areas, whose rates are affordable and comparable to those in urban areas is defined by the Act, Section 254(b), to be in the public interest. In compliance with principle (D), such access to reasonably priced long distance services is only possible through equal access.